

October 13, 2010

ITEM NO. B2

**AUTHORIZATION TO EXECUTE CONTRACT WITH OLD VETERAN
CONSTRUCTION, INC. FOR CAPITAL MAINTENANCE
AT 4525 S. LAKE PARK AVE. (IL2-118)**

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to execute a contract with Old Veteran Construction, Inc. in the amount of \$1,199,000.00 for capital maintenance work in and around sixteen (16) units at 4525 S. Lake Park Ave. (IL2-118). Work is to be completed by no later than one hundred fifty (150) calendar days from the date set forth in the Notice to Proceed.

RECOMMENDATION SUMMARY

Funding: General Fund

Specification No: 10 - 00577

Vendor: Old Veteran Construction, Inc.
10942 S. Halsted St.
Chicago, IL 60628

Contract Type: Construction
Contract Amount: \$1,199,000.00
Number of Vendors Solicited: 884
(including 316 MBE and 72 WBE Firms)
Assist Agencies: 69
Number of Pick-Ups: 72
(including 11 MBE Firms)
Number of Bids Received: 8
(Including 5 MBE & 1 WBE Firms)
Contract Time: One hundred fifty (150)
calendar days from the
date set forth in the Notice
to Proceed

Date Advertised: July 29, 2010
Pre-Bid Conference: August 5, 2010
Site Visit: August 5, 2010
Addendum No. 1 issued: August 19, 2010
Addendum No. 2 issued: August 23, 2010
Date Bids Opened: August 26, 2010
Advertisement Publication(s): Chicago Sun-Times
Chicago Defender
El Dia
CHA Website
BuySpeed Online

M/W/DBE Participation:

| | | | | | | |
|----------|-------------|---------------|----------|---------------|-----|---------------|
| Direct | MBE | <u>50</u> % | WBE | <u> </u> % | DBE | <u> </u> % |
| Indirect | MBE | <u> </u> % | WBE | <u> </u> % | DBE | <u> </u> % |
| Waiver | <u> </u> | No | (Yes/No) | | | |

Section 3:

Hiring # 1 Subcontracting \$ Other Economic Opportunities

GENERAL BACKGROUND

As part of the Capital Improvement Program, the Chicago Housing Authority (CHA) solicited bids for general contractors to perform capital maintenance work within sixteen (16) units at 4525 S. Lake Park Ave. as part of the CHA's Scattered Sites program. The work is to be performed in the North, East and South Buildings and will include, but not be limited to, replacement of the mechanical, electrical, and plumbing fixtures and the HVAC units. The exterior capital maintenance will include work on the roof, ADA ramp, landscaping, and exterior deck, and concrete replacement.

PROCUREMENT HISTORY

The CHA advertised Invitation for Bid (IFB) No. 10 – 0577 on July 29, 2010 for capital maintenance work needed in and around sixteen (16) units located across the North, East and South Buildings at 4525 S. Lake Park Ave. The IFB was advertised in the Chicago Sun-Times, the Chicago Defender, El Dia, on the CHA website and on BuySpeed Online.

The Pre-bid meeting and Site Visit were held on August 5, 2010. The CHA issued Addendum No. 1 on August 19, 2010. It changed the bid submittal date from August 23, 2010 to August 26, 2010, answered Requests for Information, provided a summary of the changes in the Scope of Work, altered the Technical Specifications, and distributed revised sets of the BF pages and the drawings. Addendum No. 2 was issued August 23, 2010 to provide information about the Online Contract Compliance System.

The CHA received and opened eight (8) bids on August 26, 2010 at 11:00 am.

After reviewing the bid submittal materials, the Department of Procurement and Contracts and the Capital Construction Department held a pre-award survey meeting with Old Veteran Construction, Inc., the apparent low bidder. The firm responded to questions on the thoroughness of its bid, the amount of the work it planned to self-perform, and its capacity to perform this work. Its representatives explained how it will be shifting experienced supervisory staff from its work on Phase 5 of the Washington Park renovation, which is currently within the close-out phase, to this project.

Based on its submitted bid and its responses at the pre-award survey meeting, the Department of Procurement and Contracts has determined that Old Veteran Construction, Inc. is the lowest responsive and responsible bidder at \$1,199,000.00. Old Veteran Construction, Inc. brings experience working with the CHA not only at Washington Park, but on the five (5) Indefinite Delivery, Indefinite Quantity task orders it has been awarded in the past two (2) years.

Based on the foregoing, it is in the CHA's best interest for the Board of Commissioners to authorize the Chief Executive Officer or his designee to execute a contract with Old Veteran Construction, Inc. in the amount of \$1,199,000.00 for capital maintenance work in and around sixteen (16) units at 4525 S. Lake Park Ave. (IL2-118). The work is to be completed by no later than one hundred fifty (150) calendar days from the date set forth in the Notice to Proceed.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

RESOLUTION NO. 2010-CHA-125

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 13, 2010 entitled "AUTHORIZATION TO EXECUTE CONTRACT WITH OLD VETERAN CONSTRUCTION, INC. FOR CAPITAL MAINTENANCE AT 4525 S. LAKE PARK AVE. (IL2-118)";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT that the Board of Commissioners authorize the Chief Executive Officer or his designee to execute a contract with Old Veteran Construction, Inc. in the amount of \$1,199,000.00 for capital maintenance work in and around sixteen (16) units at 4525 S. Lake Park Ave. (IL2-118). The work is to be completed by no later than one hundred fifty (150) calendar days from the date set forth in the Notice to Proceed.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

